

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

IN RE:	§	CHAPTER 11
	§	(Subchapter V)
MARY BRENN RYLEE	§	
Debtor	§	CASE NO. 21-10436-TMD
	§	
	§	

**FIRST AND FINAL FEE APPLICATION OF HMP ADVISORY HOLDINGS, LLC
D/B/A HARNEY PARTNERS FOR PROFESSIONAL SERVICES RENDERED
AND ACTUAL AND NECESSARY EXPENSES INCURRED
FROM JULY 15, 2021 THROUGH AUGUST 23, 2021**

This pleading requests relief that may be adverse to your interests.

If no timely response is filed within 21 days from the date of service, the relief requested herein may be granted without a hearing being held.

A timely filed response is necessary for a hearing to be held.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

HMP Advisory Holdings, LLC dba Harney Partners (“Harney Partners”), serving as Financial Advisor to Mary Brenna Rylee (“Debtor”), hereby submits its first and final application (the “Application”) pursuant to 11 U.S.C. §§ 330(a) and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for allowance of final compensation for professional services rendered by Harney Partners for the period beginning July 15, 2021 through and including August 23, 2021 (the “Application Period”) in the amount of **\$55,140.00**, comprised of **\$55,140.00** of fees for **152.9 hours** of professional services rendered.

A. Background

1. On May 31, 2021 (the “Petition Date”), the Debtor commenced the above-captioned Chapter 11 case by filing a voluntary petition for relief under Chapter 11, Subchapter V of Title 11 of the United States Code §§ 101, et seq (“Bankruptcy Code”).

2. The Debtor is operating and managing her property as a Debtor-in-Possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

3. On July 8, 2021 the Order Granting Expedited Agreed Motion Between Debtor and the Debtor’s Non-Filing Spouse for Order Modifying the Automatic Stay to Establish Procedures for Division of Community Property [Doc. No. 48] (the “Protocol Order”) was entered providing that Michael G. Colvard, in his capacity as Subchapter V Trustee (“Trustee”), shall select the Financial Advisor within five (5) business days after entry of the Protocol Order.

4. Trustee designated Harney Partners as the Financial Advisor and, on July 19, 2021, filed an expedited application to employ and retain Erik White/HMP Advisory Holdings, LLC d/b/a Harney Partners to provide financial advisory services to the Debtor pursuant to sections 105(a) and 327(a) of title 11 of the United States Code, and Rule 2014 of the Federal Rules of Bankruptcy Procedure [Doc No. 61].

5. On July 27, 2021, the *Order Authorizing the Subchapter V Trustee to Retain Erik White/HMP Advisory Holdings, LLC D/B/A Harney Partners as Financial Advisor Pursuant to 11 U.S.C. §§ 105(a) and 327(a)* (“Retention Order”) [Doc No. 74] was entered.

6. On August 23, 2021, Harney Partners submitted its Financial Advisor Report (the “FA Report”) to the Debtor, the Debtor’s Non-Filing Spouse, and the Trustee. The Trustee filed the FA Report to the court under seal.

7. Pursuant to the Protocol Order, Retention Order, and engagement letter, Harney Partners has provided financial advisory services in connection with the Debtor's bankruptcy proceeding pursuant to chapter 11 of the Bankruptcy Code.

8. The services provided by Harney Partners have included the following:

- a) Review the financial performance and condition of FLX Energy Services, LLC and Flex 24 Fitness, LLC (collectively, the "Rylee Businesses"). Determine estimated market value of the Rylee Businesses and other material Rylee Community Property, including the residence at 8308 Calera Drive, Austin, Texas 78735.
- b) Review and analyze cash transactions and asset transfers of the Rylee Businesses from January 1, 2017 through July 9, 2021, identifying any unauthorized transactions during this period made by the Debtor or the Non-Filing Spouse.
- c) Prepare a report detailing the valuation analysis of the Rylee Businesses and other material Rylee Community Property and identifying Unauthorized Transactions.

9. The compensation arrangement for Harney Partners was based on its customary hourly rates as follows:

President / EVP	\$500 to \$600 / hour
Managing Director	\$400 to \$500 / hour
Sr. Manager / Director	\$300 to \$400 / hour
Manager	\$250 to \$350 / hour
Sr. Consultant	\$175 to \$300 / hour
Support Staff	\$ 80 to \$200 / hour

C. SUMMARY OF FEE APPLICATION

10. During the Application Period, Harney Partners expended 152.9 hours in the performance of its duties as financial advisor to the Debtor.

11. A summary of the hours and fees by professional is attached hereto as Exhibit A. An itemization of hours and fees for financial advisory services during the Application Period is attached hereto as Exhibit B.

12. The average hourly billing rate was \$360.63 per hour. A further explanation of services provided is set forth below and in the attached exhibits.

13. Harney Partners has not entered into any agreement, express or implied, with any other party for the purpose of fixing or sharing fees or other compensation to be paid for professional services rendered in this case.

14. No promises have been received by Harney Partners or any member thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code.

D. SUMMARY OF SERVICES RENDERED

15. Harney Partners provided estimated market values for Rylee Businesses and other material community property and to review and analyze transfers of assets and cash out of the Rylee Businesses. Harney Partners worked diligently in a compressed timeframe with limited, imperfect information to analyze past operating performance, industry and competitive trends, real estate and equipment factors to develop estimated market values for numerous assets, including:

- 100% Equity in Flex 24 Fitness, LLC, an operating business with two fitness facilities;
- 100% Equity in FLX Energy Services, LLC, an operating business providing non-destructive testing services to oil and gas companies;
- Commercial real estate properties in Odessa, Texas – 2 retail properties and 1 industrial (office/warehouse) owned by Flex 24 and FLX, respectively;
- Residential real estate property in Austin, Texas; and
- Other assets including cash on hand.

16. Harney Partners submits that the foregoing services were necessary to fulfill the duties and obligations as financial advisor to the Debtor in this chapter 11 case, performed efficiently, effectively, and economically, without unnecessary duplication of effort or expense. Harney Partners expended time for the foregoing services commensurate with the complexity, importance, and nature of the issues and tasks involved.

E. ACTUAL AND NECESSARY EXPENSES

17. Harney Partners does not seek any reimbursement for expenses on behalf of the Debtors during the Application Period.

F. APPLICATION OF LEGAL STANDARDS

18. Section 331 of the Bankruptcy Code provides for compensation of professionals and incorporates the substantive standards of Section 330 of the Bankruptcy Code to govern the Court's award of such compensation. See 11 U.S.C. § 331. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under Section 327 of the Bankruptcy Code "reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded to an examiner, trustee under Chapter 11, or professional person, the court should consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the services was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

19. In these cases, Harney Partners respectfully submits that the services for which it seeks compensation in this Application Period were, at the time rendered, necessary for and beneficial to the Debtor. Harney Partners further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtor.

20. Also, pursuant to the decisions of the United States Court of Appeals for the Fifth Circuit in *In re First Colonial Corp. of America*, 544 F.2d 1291 (5th Cir. 1977), and *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974), Harney Partners requests the Court to consider the following factors in determining the amount of reasonable compensation for Harney Partners' services in this matter:

- (a) **Time and Labor Required:** In total, Harney Partners rendered 152.9 hours of professional services to the Debtor during the Application Period. The professionals involved in rendering those services in this case have made a deliberate effort to avoid any unnecessary duplication of work and time expended. Where less sophisticated issues were involved, Harney Partners utilized the talents of less experienced professionals to reduce the overall fees in this matter without sacrificing quality.
- (b) **Novelty and Difficulty of the Questions Presented:** Harney Partners' services included a complex review and analysis of the information pertaining to the financial analysis and business issues of the Rylee Businesses, including complex analysis and valuation work with limited and incomplete information.
- (c) **Skill Requisite to Perform the Legal Services Properly:** A high degree of skill related to financial analysis was required by Harney Partners in providing financial advisory services to the Debtor. These skills exceeded those of the average practitioner because they included, among others, business and valuation skills. Harney Partners submits that the use of less skilled and experienced professionals would not have achieved these results. Further, Harney Partners asserts that its professionals have been used effectively and efficiently to meet the requirements of the tasks assigned, and have provided substantial assistance to the Debtor.
- (d) **Preclusion of Other Employment:** Performance of Harney Partners' responsibilities did not preclude it from other employment.
- (e) **Customary Fee:** The hourly rates charged by Harney Partners for the complex services performed in these proceedings are comparable to other

similarly experienced professionals in Texas involved in cases of smaller size and complexity, if not lower. The rates charged by Harney Partners are in the range of the typical rates in Chapter 11 cases in the Western District of Texas as well as in those in other districts in Texas.

- (f) **Whether the Fee is Fixed or Contingent:** As in all bankruptcy cases, all of Harney Partners' fees are subject to the availability of funds in the estate, or the willingness of a third party, to pay such fees. To this extent, Harney Partners' fees may be considered contingent, although the fee is computed on a fixed hourly basis for each professional involved.
- (g) **Time Limitations:** During this case there have been instances in which it was necessary for Harney Partners to render services on very short notice and under limited time constraints.
- (h) **Amounts Involved and Results Obtained:** Based upon the amounts involved and the results Harney Partners obtained (as set forth herein), the fees and expenses requested herein are reasonable and appropriate and should be approved.
- (i) **The Experience, Reputation, and Ability of Applicant:** Harney Partners' professionals have represented all types of entities in complex liquidation and reorganization cases throughout the United States and have the combined experience, reputation, skill, and ability to provide necessary services to the Debtor.
- (j) **Undesirability of the Case:** This case is not an undesirable case.
- (k) **The Nature and Length of Professional Relationship with the Client:** Harney Partners did not have a pre-petition relationship with the Debtor.
- (l) **Awards in Similar Cases:** The compensation sought in this case are not excessive and are commensurate with the compensation sought and ordered in similar cases under the Bankruptcy Code and in the Western District of Texas.

21. In sum, the services rendered by Harney Partners were necessary and beneficial to the Debtor, and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved, and approval of the compensation sought herein is warranted.

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WHEREFORE, Harney Partners respectfully requests the Court to enter an order granting:

- (i) Final approval of all fees in the aggregate amount of \$55,140.00, representing \$55,140.00 in fees incurred for 152.9 hours of professional services performed during the Application Period;
- (ii) Payment of unpaid and allowed fees and expenses in the amount of \$35,140.00; and
- (iii) Grant Harney Partners such other and further relief to which it may be justly entitled.

Dated: November 12, 2021

Respectfully submitted,

**HMP ADVISORY HOLDINGS, LLC DBA
HARNEY PARTNERS**

By: 
William R. Patterson

FINANCIAL ADVISOR FOR THE DEBTOR

SUBMITTED BY:

MARTIN & DROUGHT, P.C.
Weston Centre
112 East Pecan Street, Suite 1616
San Antonio, Texas 78205
Telephone: (210) 220-1334
Facsimile: (210) 227-7924
Email: mcolvard@mdtlaw.com

BY: /s/ Michael G. Colvard
Michael G. Colvard
State Bar No. 04629200

Subchapter V Trustee

CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing Application has been served by the Court's ECF e-filing notification on all parties receiving such notices on November 12, 2021. The Summary of First and Final Fee Application, attached hereto as Exhibit C, has been served on all parties on the service list attached thereto as specified in its Certificate of Service.

/s/ Michael G. Colvard

Michael G. Colvard

EXHIBIT A

Case #21-10436-TMD

Summary of Hours by Professional
For the Period July 15, 2021 to August 23, 2021

Professional	Rate	Hours	Fees
Erik White	\$400.00	92.7	\$37,080.00
Wade Horst	\$300.00	60.2	\$18,060.00
Total		152.9	\$55,140.00

EXHIBIT B**Detail of Time Entries***For the Period July 15, 2021 to August 23, 2021*

Date	Professional	Hours	Rate	Fees	Description
7/21/2021	Erik White	0.4	\$400.00	\$160.00	call with C. Felder re: data request and company overviews
7/28/2021	Wade Horst	0.4	\$300.00	\$120.00	Review of initial data files
7/28/2021	Erik White	3.6	\$400.00	\$1,440.00	review and analyze Flex 24 cash flows
8/1/2021	Erik White	3.2	\$400.00	\$1,280.00	review and consolidate FLX financial information
8/3/2021	Wade Horst	1.4	\$300.00	\$420.00	Review of appraisal and valuation docs
8/3/2021	Erik White	4.5	\$400.00	\$1,800.00	financial review of FLX general ledger
8/4/2021	Wade Horst	1.2	\$300.00	\$360.00	Review of appraisal and valuation docs
8/5/2021	Wade Horst	0.7	\$300.00	\$210.00	Review of appraisal and valuation docs
8/5/2021	Wade Horst	1.4	\$300.00	\$420.00	Call w/ E. White re: consolidated financials, adjustments, assumptions
8/5/2021	Erik White	3.7	\$400.00	\$1,480.00	cash flow and income statement analysis; discussion with W. Horst re same (1.4)
8/6/2021	Wade Horst	0.2	\$300.00	\$60.00	Call w/ E. White (HP) re: Rylee P&L reconciliation
8/6/2021	Wade Horst	2.1	\$300.00	\$630.00	Reconciliation of P&L statements
8/6/2021	Wade Horst	2.7	\$300.00	\$810.00	Continued reconciliation of P&L statements
8/6/2021	Erik White	4.1	\$400.00	\$1,640.00	cash flow analysis at FLX; call with W. Horst (0.2)
8/7/2021	Wade Horst	0.8	\$300.00	\$240.00	Reconciliation of P&L statements
8/8/2021	Erik White	2.5	\$400.00	\$1,000.00	financial analysis of Flex 24 historical p&L
8/9/2021	Wade Horst	1.1	\$300.00	\$330.00	Reconciliation of P&L statements
8/9/2021	Wade Horst	2.0	\$300.00	\$600.00	Review accounting adjustments
8/9/2021	Wade Horst	1.0	\$300.00	\$300.00	Question prep for calls the following day
8/9/2021	Wade Horst	0.3	\$300.00	\$90.00	Call w/ E. White re: Rylee financials, operating businesses, prep for calls the following day
8/9/2021	Erik White	3.1	\$400.00	\$1,240.00	continue with financial and account review of FLX and Flex 24, prepare for calls with parties; call with W. Horst (0.3)
8/10/2021	Wade Horst	0.6	\$300.00	\$180.00	Rylee Discussion - Jameson Brenna Harney
8/10/2021	Wade Horst	1.0	\$300.00	\$300.00	FLX/FLEX24 Accounting - Felder Harney
8/10/2021	Wade Horst	0.9	\$300.00	\$270.00	Rylee Discussion - Fareed/Michael Harney
8/10/2021	Wade Horst	0.1	\$300.00	\$30.00	Call w/ E. White re: earlier meetings w/ Rylee parties
8/10/2021	Erik White	2.9	\$400.00	\$1,160.00	prepare for and attend calls with J Watts/Debtor (0.6); C. Felder (1.0); F. Kaisani/Non-Filing Spouse (0.9)
8/11/2021	Wade Horst	0.9	\$300.00	\$270.00	Review and analysis of OFS business A/R
8/11/2021	Erik White	3.5	\$400.00	\$1,400.00	Barton creek real estate research, roll forward May 2021 appraisal on house
8/12/2021	Wade Horst	0.5	\$300.00	\$150.00	Calls w/ E. White re: FLX fixed assets
8/12/2021	Wade Horst	2.8	\$300.00	\$840.00	Review and analysis of fixed asset sales; call with W. Horst (0.5) re: same
8/12/2021	Wade Horst	2.1	\$300.00	\$630.00	Additional review and analysis of fixed asset sales
8/12/2021	Wade Horst	0.7	\$300.00	\$210.00	Further review and analysis of fixed asset sales
8/12/2021	Erik White	3.1	\$400.00	\$1,240.00	reconcile cash to bank statements, identify missing entries
8/13/2021	Wade Horst	2.8	\$300.00	\$840.00	Review and analysis of fixed asset sales
8/13/2021	Wade Horst	1.3	\$300.00	\$390.00	Additional review and analysis of fixed asset sales
8/13/2021	Wade Horst	0.3	\$300.00	\$90.00	Call w/ E. White re: fixed assets, business normalized earnings
8/13/2021	Wade Horst	1.5	\$300.00	\$450.00	Further review and analysis of fixed asset sales
8/13/2021	Wade Horst	1.2	\$300.00	\$360.00	Analysis of Energy division TTM financials and accounting adjustments
8/13/2021	Erik White	2.3	\$400.00	\$920.00	reconcile Flex 24 AmEx statement to QuickBooks; call with W. Horst (0.3)
8/14/2021	Wade Horst	1.0	\$300.00	\$300.00	Analysis of Energy division TTM financials and accounting adjustments
8/14/2021	Wade Horst	1.5	\$300.00	\$450.00	Analysis of Energy division historical financials, accounting adjustments, projections

8/14/2021	Wade Horst	1.0	\$300.00	\$300.00	Call w/ E. White re: fixed assets, normalized earnings, outstanding items
8/14/2021	Erik White	5.1	\$400.00	\$2,040.00	industry analysis for Flex 24 and FLX, call with W. Horst (1.0)
8/15/2021	Erik White	5.1	\$400.00	\$2,040.00	analysis of Flex 24 financials, normalizing entries
8/16/2021	Wade Horst	2.8	\$300.00	\$840.00	Review and analysis of fixed asset sales
8/16/2021	Erik White	3.4	\$400.00	\$1,360.00	analysis re: personal use of corporate resources
8/17/2021	Wade Horst	1.8	\$300.00	\$540.00	Review and analysis of fixed asset sales
8/17/2021	Wade Horst	1.0	\$300.00	\$300.00	Economic research related to energy business fundamental outlook
8/17/2021	Wade Horst	2.9	\$300.00	\$870.00	Analysis of Energy division TTM financials and accounting adjustments
8/17/2021	Wade Horst	1.4	\$300.00	\$420.00	Call w/ E. White (HP) re: fixed assets, normalized earnings + projections
8/17/2021	Erik White	5.5	\$400.00	\$2,200.00	call with gym owner re: gym membership dynamics (0.5); calls with RE broker re: Barton creek real estate prices (0.5) & (0.4); discussion with W. Horst re: open items & next steps (1.3); Flex 24 comparable research (2.1); review real estate analysis and assumptions
8/18/2021	Wade Horst	1.7	\$300.00	\$510.00	Review and analysis of fixed asset sales
8/18/2021	Wade Horst	1.6	\$300.00	\$480.00	Further review and analysis of fixed asset sales
8/18/2021	Wade Horst	0.1	\$300.00	\$30.00	Research oil prices
8/18/2021	Wade Horst	1.1	\$300.00	\$330.00	Call w/ Chris Felder (number sense financial) and E. White (HP) re: FLX / Flex 24 accounting questions
8/18/2021	Wade Horst	2.4	\$300.00	\$720.00	Analysis of FLX financial projections
8/18/2021	Erik White	4.9	\$400.00	\$1,960.00	call with C. Felder re: accounting questions (1.0); continue Flex 24 DCF calculation (3.9)
8/19/2021	Wade Horst	2.1	\$300.00	\$630.00	Updates to normalized earnings, future projections, and report
8/19/2021	Wade Horst	1.7	\$300.00	\$510.00	Further updates to normalized earnings, future projections, and report
8/19/2021	Erik White	7.5	\$400.00	\$3,000.00	continue to work on drafting report (2.0), Flex 24 valuation (3.1); review CRE research (1.9)
8/20/2021	Wade Horst	0.5	\$300.00	\$150.00	Updates to normalized earnings, future projections, and report
8/20/2021	Erik White	6.7	\$400.00	\$2,680.00	continue to work on drafting report - Flex 24 industry research, writeup of analysis, analysis of membership trends
8/21/2021	Wade Horst	0.3	\$300.00	\$90.00	Updates to Capex assumptions
8/21/2021	Erik White	7.1	\$400.00	\$2,840.00	draft report - unauthorized transaction section, AmEx personal usage, FLX liquidation analysis
8/22/2021	Wade Horst	2.0	\$300.00	\$600.00	Review and updates to report document
8/22/2021	Wade Horst	0.6	\$300.00	\$180.00	Updates to normalized earnings and report
8/22/2021	Wade Horst	0.5	\$300.00	\$150.00	Call w/ E. White (HP) re: report, normalized earnings
8/22/2021	Erik White	6.5	\$400.00	\$2,600.00	continue to draft and refine report, discussion with W. Horst (0.5); update WACC analysis for FLX
8/23/2021	Erik White	4.0	\$400.00	\$1,600.00	finalize and distribute FA report; call with W. Horst (0.2)
8/23/2021	Wade Horst	0.2	\$300.00	\$60.00	Calls w/ E. White (HP) re: fixed asset sales
TOTAL		152.9		\$55,140.00	

of 18
EXHIBIT C

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

IN RE:	§	CHAPTER 11
	§	(Subchapter V)
MARY BRENNIA RYLEE	§	
Debtor	§	CASE NO. 21-10436-TMD
	§	
	§	

**SUMMARY OF FIRST AND FINAL FEE APPLICATION OF HMP ADVISORY
HOLDINGS, LLC D/B/A HARNEY PARTNERS FOR PROFESSIONAL SERVICES
RENDERED AND ACTUAL AND NECESSARY EXPENSES INCURRED
FROM JULY 15, 2021 THROUGH AUGUST 23, 2021**

This pleading requests relief that may be adverse to your interests.

If no timely response is filed within 21 days from the date of service, the relief requested herein may be granted without a hearing being held.

A timely filed response is necessary for a hearing to be held.

- I. CLIENT – Debtor, Mary Brenna Rylee, and Subchapter V Trustee, Michael Colvard.
- II. REQUESTING APPLICANT/FIRM: HMP Advisory Holdings, LLC dba Harney Partners (“Harney Partners”), Financial Advisor to the Debtor.
- III. TOTAL AMOUNT OF FEES AND EXPENSE REQUESTED: \$55,140.00
 - a. Fees Incurred: \$55,140.00
 - b. Expenses Incurred: \$ 0.00
 - c. Retainer, if any: \$20,000.00
 - d. Time Period Covered: July 15, 2021 through August 23, 2021
- IV. BREAK OUT OF CURRENT APPLICATION

A. FEES BY PROFESSIONAL

Professional	Title	Rate	Hours	Fees
Erik White	Managing Director	\$ 400.00	92.7	\$37,080.00
Wade Horst	Senior Manager	\$ 300.00	60.2	\$18,060.00
Total			152.9	\$55,140.00

MINIMUM FEE INCREMENTS - 1/10th of an hour.

AMOUNT ALLOCATED FOR PREPARATION OF THIS FEE APPLICATION:

- No fees are requested in the preparation of this fee application.

V. PRIOR APPLICATIONS:

- a. No prior fee applications have been submitted

VI. OTHER CO-EQUAL OR ADMINISTRATIVE CLAIMANTS IN THIS CASE

- b. Husch Blackwell LLP, Counsel to the Debtor
- c. Haygood Law Firm, Family law counsel to the Debtor
- d. Michael G. Colvard, Subchapter V Trustee

Allowance of Harney Partners' First and Final Fee Application will not result in the Debtor's estate not being able to pay all co-equal or superior administrative claims in this case.

VII. RESULTS OBTAINED


Harney Partners provided estimated market values for Rylee Businesses and other material community property and reviewed and analyzed transfers of assets and cash out of the Rylee Businesses. Harney Partners worked diligently in a compressed timeframe with limited, imperfect information to analyze past operating performance, industry and competitive trends, real estate and equipment factors to develop estimated market values for numerous assets, including:

- 100% Equity in Flex 24 Fitness, LLC, an operating business with two fitness facilities;
- 100% Equity in FLX Energy Services, LLC, an operating business providing non-destructive testing services to oil and gas companies;
- Commercial real estate properties in Odessa, Texas – 2 retail properties and 1 industrial (office/warehouse) owned by Flex 24 and FLX, respectively;
- Residential real estate property in Austin, Texas; and
- Other assets including cash on hand.

Dated: November 12, 2021

Respectfully submitted,

**HMP ADVISORY HOLDINGS, LLC DBA
HARNEY PARTNERS**

By: 
William R. Patterson

FINANCIAL ADVISOR FOR THE DEBTOR

SUBMITTED BY:

MARTIN & DROUGHT, P.C.
Weston Centre
112 East Pecan Street, Suite 1616
San Antonio, Texas 78205
Telephone: (210) 220-1334
Facsimile: (210) 227-7924
Email: mcolvard@mdtlaw.com

BY: /s/ Michael G. Colvard
Michael G. Colvard
State Bar No. 04629200

Subchapter V Trustee

CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document has been served upon all parties on the attached Service List by United States mail on November 12, 2021.

/s/ Michael G. Colvard

Michael G. Colvard

Label Matrix for local noticing

0542-1

Case 21-10436-tmd

Western District of Texas

Austin

Fri Nov 12 10:05:10 CST 2021

American Momentum Bank

c/o Bruce J Ruzinsky and Jennifer Wertz

Jackson Walker LLP

1401 McKinney #1900

Houston TX 77010-1900

Capital One Bank USA NA

PO Box 31293

Salt Lake City, UT 84131-0293

Ector CAD

c/o Don Stecker

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San Antonio, TX 78205-1588

GTG Solutions, Inc.

Frank Lyon

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Haygood Law Firm

c/o Lane Haygood

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John Manicom

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Michael G. Rylee

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Austin, TX 78701-4292

SouthStar Bank, SSB

100 South Main Street

Moulton, TX 77975-4598

The James Firm, PLLC

c/o Amber James

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Fort Worth, Texas 76104-4318

U.S. BANKRUPTCY COURT
6118
903 SAN JACINTO, SUITE 322

AUSTIN, TX 78701-2450

Briggs & Veselka Co

c/o Edward Fowler

901 S. Mopac Expressway

Bldg. II, Suite 450

Austin, TX 78746-5776

Community National Bank

1502 Avenue M

Hondo, TX 78861-1754

Ector County Tax Assessor/Collector

1010 East Eighth Street, Suite 100

Odessa, TX 79761-4634

GTG Solutions, Inc.

c/o Anna Hand-Registered Agent

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Chico, TX 76431-2877

Internal Revenue Service

Centralized Insolvency Operations

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Philadelphia, PA 19101-7346

Kelly L. Burris

Cordell & Cordell PC

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Austin, TX 78701-2944

Michael Rylee

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(p)TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
REVENUE ACCOUNTING DIV - BANKRUPTCY SECTION
PO BOX 13528
AUSTIN TX 78711-3528

Travis County

c/o Jason A. Starks

P.O. Box 1748

Austin, TX 78767-1748

American Momentum Bank

Jennifer F. Wertz

Jackson Walker LLP

100 Congress Ave #1100

Austin TX 78701-4042

Capital One Bank (USA), N.A.

by American InfoSource as agent

PO Box 71083

Charlotte, NC 28272-1083

Community National Bank

2659 John Ben Shepperd Pkwy.

Odessa, TX 79761-1936

Friday Milner Lambert Turner, PLLC

3401 Glenview Avenue

Austin, TX 78703-1448

GTG Solutions, Inc.

c/o Bob. J. Shelton P.C.

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Arlington, TX 76017-3739

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c/o Amanda James

1316 5th Avenue

Fort Worth, TX 76104-4318

Mary Brenna Rylee

c/o Lynn Hamilton Butler

Husch Blackwell LLP

111 Congress Avenue, Suite 1400

Austin, TX 78701-4093

SouthStar Bank, S.S.B.

c/o Richard T. Chapman, Jr.

P.O. Box 1969

Victoria, TX 77902-1969

Texas Workforce Commission

Tax-Collections

101 E. 15th Street

Austin, TX 78778-0001

Travis County Tax Assessor-Collector

P.O. Box 149326

Austin, TX 78714-9326

United States Trustee - AU12
United States Trustee
903 San Jacinto Blvd, Suite 230
Austin, TX 78701-2450

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(d)Internal Revenue Service
Special Procedures
Stop 5022 AUS
300 East 8th Street
Austin, TX 78701

Texas Comptroller of Public Accounts
Revenue Acctg Div - Bankruptcy Section
P.O. Box 13528
Austin, TX 78711-3528

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